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SUBJECT: GRENADA WEEKLY ACTIVITY REPORT: FEBRUARY 1 - 7, 2009

11. Embassy Grenada's weekly report (GWAR) provides a little detail about events of interest that do not merit longer reporting at this time.

12. Begin GWAR text:

a. Minister for Finance Predicts 30% Unemployment
Grenada's Multipartite Consultative Committee (MCC) discussed ideas on how to prepare the country to meet its obligations during what may be a prolonged global economic downturn. Minister for Finance, Nazim Burke, suggested that the country may be in for a rough time, with unemployment potentially reaching 30%. Burke predicted that tourist arrivals likely will drop and those visitors who do come will spend less while here. Union representatives demanded the government do more, including increasing the minimum wage, giving public lands to the Marketing & National Importing Board (MNIB) for production of local produce, and talking banks into dropping mortgage rates.

The GOG's options are severely limited. Public debt stands at 107 percent of gross domestic product (GDP), Grenadians already owe over US\$26 million in back taxes (including interest and fees), and unemployment is over 20 percent (the official rate is 18 percent, but the general consensus is that it is higher).

b. Grenada Worried about CLICO
Grenadian officials are monitoring closing developments in Trinidad and Tobago with the CL Financial Group. CL group has shares in Republic Bank, British American Insurance, CLICO, and the Grenada Broadcast Network (GBN). GOG officials have been telling the public that the institutions in Grenada are different than their counterparts in Trinidad, but anxiety levels are rising in Grenada as the situation remains unresolved.

c. Independence Day Celebrations Small
Grenada celebrated its 35th anniversary of independence on February 7 with a military parade and brunch for visiting diplomats. The evening bingo game at the national stadium drew a larger crowd than the morning parade for which the stadium was less than a quarter full. The highlight of the parade was the break dance performed by a police cadet member of the police band, who set his horn down and rocked the crowd with his dance. Some were not amused and complained later that the display was inappropriate.

The 2009 celebration was the first of the government elected on July 8, 2008. For the first time, small official celebrations were held on the sister isles of Petit Martinique and Carriacou, timed so that the Prime Minister and other cabinet members could attend them all.

End text.

MCISAAC